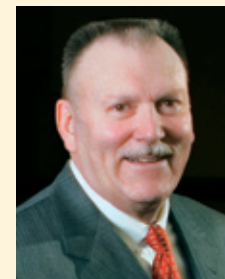


Coastal Currents

Message from the CEO

Dear Members,



Garth Sheane
President & CEO

As many of you are aware, Coastal Community Credit Union was recently the victim of a theft when a secured container holding our backup tapes was stolen from the external courier we use. While access to the data is unlikely and we have no reason to suspect that any of the tapes have been accessed, the incident reinforces the need for increased caution and diligence at every level. We have taken many measures in response to the incident to protect our members and clients, including the introduction of stronger security measures and monitoring on credit cards and accounts. And while our practices were consistent with industry norms, we also implemented changes in how we store and transport electronic data.

While we were able to inform our members of the theft in a reasonable timeframe, I regret that we were not able to do the same for clients of Coastal Community Insurance Agencies Ltd. The logistics of getting names and addresses organized for our policy holders proved challenging and caused a delay in sending our disclosure letter. I sincerely apologize for this delay.

I strongly encourage you to read the article in this issue on safeguarding your personal information. We value the trust our members place in us, and our top priority is to protect your information and financial interests. To all of our members and clients, I want to express my utmost appreciation for the support and trust that you have shown in our Credit Union.

In the Spring issue of the newsletter, I told you how delighted we were with the response from Island students to our call for entries for the Coastal Community Credit Union 2006/2007 Scholarships. In this issue we are pleased to announce the winners of the Scholarship awards. We wish these young community leaders every success in taking their bright ideas forward. We know that young people make powerful contributions to their communities, and these scholarships are just one of the ways Coastal supports and encourages youth.

In this edition, you'll also learn how we're increasing our involvement in the communities we serve by seeking members to form our first three Coastal Community Connection Councils. Council members in each of our seven areas will play important roles in helping us decide which local charities and organizations receive funding from our Coastal Spirit Fund. Sound like you? Please let us know if you're interested.

Summer is often a season when many members and their families travel outside Canada, where currency conversion problems can often mar your vacation. We thought it would be useful to provide some helpful information on how convenient and safe it is to use your Credit Union Member Card® debit card almost anywhere in the world.

News on improvements at our premises in Tofino and Chemainus is also included in this issue. The upgrades in both areas provide improved and more convenient access to Credit Union services and will allow us to continue serving the communities' growing needs for many years to come.

As you know, the quality of our communications is important at Coastal. So we're proud to report in this issue that we achieved national recognition for the high standard of our communications on the banking system conversion during 2006.

In closing, I want to thank all members for their continuing patronage and, on behalf of everyone at Coastal, extend our best wishes to all members for an enjoyable and safe summer.

Garth Sheane
President & CEO

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COASTAL
COMMUNITY
CREDIT UNION

Coastal awards young community leaders

Eleven deserving Vancouver Island teens are sharing a total of \$28,000 in Scholarship awards from Coastal Community Credit Union.

To be eligible for this unique award, students created project plans that addressed a social, economic or environmental need in their communities. The program is part of Coastal's commitment to making Vancouver Island communities better places to live, work and play.

Ten students received awards of \$2,500 each. Daniel Pearse, whose project was deemed to be the best overall, received an award of \$3,000, and an additional \$3,000 grant to implement his community project.



Daniel's project for a "Men's Night" at St. Joseph's Extended Care Facility in Comox addresses a social and health need in his community. His research found that because only 29% of the seniors in the facility are men the majority of activities were geared toward women. The monthly Men's Night, which is open to male relatives and youth volunteers in the community, will give the residents an opportunity

to interact with men of all ages. Activities will range from sports nights, to card and shuffle board tournaments, to live musical jams – whatever activities engage the residents mentally and socially. "Offering an activity night especially for men, will help these mostly single men to socialize and find common interests," says Daniel.

"Young people have the energy and ideas to make positive changes in their communities," says Joe Cristiano, Coastal's Senior Vice President of Marketing. "We are thrilled to be able to assist them in making those ideas a reality and to contribute to their future success."

Congratulations 2006-2007 Coastal Community Scholarship Recipients

- ★ *Francesca Champagne, Shawnigan Lake School*– Pedal Power to the People
- ★ *Kristina Cisnero, Carihi Secondary*– Water System in Schools
- ★ *Meris Colby, Highland Senior Secondary*– Clip, Cut, Saw that Broom Down
- ★ *Shyla Colton, John Barsby*– Christmas for the Homeless
- ★ *Daniel Fortin, Dover Bay Secondary*– Cob Bench Construction
- ★ *Jarrad Horne, Qualicum Secondary*– Youth Skate Park
- ★ *Rachelle Jones, Cowichan Secondary*– Scared Straight Tour
- ★ *Daniel Pearse, Highland Senior Secondary*– "Men's Night" at St. Joseph's Extended Care Facility
- ★ *Nicole Pineda, North Island Secondary School*– Port McNeill Teen Music Nights
- ★ *Chris Rybski, Mark R Isfeld*– Goose Spit Wheelchair Ramp
- ★ *Kulveer Singh Parhar, NDSS*– Youth Summer Camp

Coastal Community Credit Union thanks all of the students who applied and wishes each of them every success in their future endeavours.

Coastal wins prestigious AIM award

Coastal has achieved national recognition for the high standard of our communications on the banking system conversion during 2006.

In June, the Marketing Association for Credit Unions (MACU) named Coastal as the winner for its Achievement In Marketing (AIM) award in the Corporate Communications category.

The awards, which attract entries from credit unions across Canada, recognize the best and brightest achievements in credit union marketing, advertising and communications.

We're delighted to have won an AIM award in this highly competitive category. Credit for our win goes to the collective efforts of our Marketing and Integration Communications teams. We also want to thank Currency Marketing and MACU.



Safeguarding your personal information



Protecting the confidentiality and security of your personal information has always been a top priority at Coastal Community Credit Union. Following a recent incident involving the theft of Credit Union backup tapes from a bonded courier, we've taken a number of steps to strengthen our already stringent controls on the security of our members' and clients' personal and financial information.

We'd like to take this opportunity to remind you of some simple steps you can and should take to protect your personal information:

- Regularly review your financial accounts and report any unauthorized activity to us immediately.
- Never respond to an email requesting any confirmation of your Coastal Community Credit Union account information, including account numbers, balances, online access passwords and card PIN details. We never send such emails.
- Keep your debit card in a safe place, and never lend it to anyone.
- Memorize your PIN. Don't write it down (unless it's well "disguised"), share it with anyone, leave it in a drawer, put it on your computer or carry it with you.
- Don't select an obvious PIN, such as your name, address, phone number or birthday. Choose something complicated; otherwise you could be held liable.
- Don't let your debit card out of sight during a transaction, and never let it be swiped twice.
- Don't use ATM or POS (point-of-sale) machines where you don't feel secure. If someone tries to distract you, retrieve your card and leave immediately. When making a transaction, use your hand or body to prevent someone from looking over your shoulder.
- Periodically check your credit report so you're aware of any changes or unusual activity. You can check your report once a year for free from Equifax Canada at www.equifax.ca or 1-800-465-7166 and from TransUnion of Canada at www.tuc.ca or 1-800-663-9980.
- Follow up with creditors if your bills don't arrive on time. A missing bill could mean an identity thief has taken over your credit card account and changed the billing address.
- Protect your mail from theft. Remove your mail promptly, and notify Canada Post to hold your mail if you plan to be away for some time.
- Protect your computer with a firewall or a strong anti-virus software, and take advantage of Internet security technologies such as digital signatures, encryption and tools to make information anonymous.
- Never post personal information on publicly accessible websites and online bulletin boards.
- Use strong passwords when registering for certain websites, and never use the same password for different websites.
- Be wary of offers from websites you don't know.
- Shred outdated bills, tax statements and other sensitive financial information.

We're committed to keeping your personal information secure and informing you of ways you can protect yourself from fraud and identity theft. To learn more about protecting your personal and financial information, visit www.cccu.ca.

Join a Community Connection Council and make a difference in your community



Are you in touch with the needs and issues of your community? Interested in helping us direct funding and other resources to worthy projects and initiatives? Want to be an ambassador for Coastal Community in your area? If this sounds like you, then you'd make an excellent member of one of our new Community Connection Councils.

Community Connection Councils will support the initiatives of our Coastal Spirit Fund. Launched last year, the Coastal Spirit Fund was created to address the unique needs of the communities we serve by providing resources where they are needed most. In its first year, the fund awarded a total of \$150,000 to more than 60 community organizations across Vancouver Island.

One of the most important activities for Community Connection Council members will be reviewing applications to the fund and recommending recipients. They'll also provide valuable feedback to Coastal's management and its Board of Directors on local issues and encourage local charities and non-profits to develop funding proposals.

This year, three of the eventual seven Councils are being established in Campbell River, Oceanside, and West Coast communities. Each Council will be comprised of three to seven volunteers. Candidates must be 18 years of age or older, a member in good standing of the Credit Union for

at least one year, and an involved resident of a community within the Council's region.

"We're looking forward to launching the first three Councils," says Garth Sheane, Coastal's President and CEO. "The Councils will help us achieve our vision to be the best choice for financial and community leadership."

For more information on becoming a Community Connection Council member, visit our website at www.cccu.ca or our branches.

Community Connection Councils

Scheduled for launch in September 2007:

- Campbell River (Campbell River, Willow Point and Black Creek)
- Oceanside (Parksville, Qualicum, Nanoose and Coombs)
- West Coast (Port Alberni, Ucluelet and Tofino)

The remaining four Councils will launch in 2008:

- Chemainus/Ladysmith (Chemainus and Ladysmith)
- Comox Valley (Comox, Courtenay and Royston)
- Nanaimo (Nanaimo, Lantzville, Cedar and Gabriola Island)
- North Island (Port Hardy, Sointula, Alert Bay and Port McNeill)

Have Member Card[®] will travel



If you're planning a trip this summer, your Member Card[®] debit card can help pave the way to a smooth worry-free vacation.

Whether you visit major cities or prefer out-of-the-way places, your Member Card[®] debit card will work at virtually every ATM in the world. Here are the experiences of three credit union members who took their Member Card[®] debit card along for the ride.

B.C.'s Majid Khoury travels once or twice a year to visit Europe and the Middle East, and he relies on his Member Card[®] debit card during these international jaunts. He happily reports that his card has been trouble-free in every city he visited, dispensing cash at almost every ATM. Even in an isolated mountain village in Lebanon, he found his card worked perfectly.

Two other B.C. credit union members, Colleen and Giuseppe Colonna, found out how valuable their Member Card[®] debit card was during a recent holiday. While visiting Bari, a 2,000-year-old port and university city on the Adriatic sea, they were distressed to learn that no banks would cash their travellers' cheques. Luckily for the Euro-less couple, a kind-hearted member of the local polizia came to their aid and "convinced" a bank to cash some of their travellers' cheques. It was an experience the couple didn't want to repeat. They used their credit union Member Card[®] debit card for the rest of their trip without incident.

New location in Tofino and new look in Chemainus

Coastal members and clients in Tofino and Chemainus are about to enjoy improved and more convenient access to Credit Union products and services.

- Tofino members will soon be able to access full cash-banking services, including an ATM, at our new 1,000 square foot office in the picturesque seaside village. The new office, which will replace our Campbell Street Sales Office, has beautiful ocean views and a member-friendly layout. Staffed by two Member Service Representatives and a Business Development Officer, the office is expected to open in July.

"Tofino is growing quickly, so we want to provide the community with an enhanced level of service by upgrading our presence in the community," says Jeff Brown, Coastal's Associate Vice President of Retail Services South.

- In Chemainus, eco-friendly renovations at our Branch and Insurance Office will create a more comfortable environment for members, clients and staff. The renovations include the installation of energy-efficient lighting, state-of-the-art heat pumps and air distribution systems. The new furnishings and fittings also contain a high percentage of recyclable material.

"The renovation is consistent with Coastal's move toward more environmentally sensitive property management, which includes the use of eco-friendly products wherever possible," says Kel Koutecky, Coastal's Premises Manager.

Drop by to see the newly renovated space, which is scheduled for completion in July.

COMMUNITY BRANCH AND BUSINESS CENTRE LOCATIONS

Alert Bay

(250) 974-5527

Campbell River

Discovery Harbour
(250) 286-6205

Willow Point
(250) 923-0862

Chemainus

(250) 246-4704

Comox

(250) 703-4100

Courtenay

Ryan Road
(250) 703-4100

4th Street
(250) 703-4100

Business Centre
(250) 703-4198

Gabriola Island

(250) 247-8521

Nanaimo

Bowen
(250) 729-2550

Business Centre
(250) 729-2569

Hammond Bay
(250) 390-8900

Harbourfront

(250) 741-3100

Southgate

(250) 741-1233

Nanoose Bay

(250) 468-7624

Parksville

Alberni Highway
(250) 248-3275

Business Centre
(250) 951-2440

Wembley Mall
(250) 248-3293

Port Alberni

(250) 723-8101

Port Hardy

(250) 949-7471

Port McNeil

Sales Office
(250) 956-3972

Qualicum Beach
(250) 752-9244

Sointula

(250) 973-6723

Tofino

(250) 725-2366

Ucluelet

(250) 726-7785

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Coastal Community also offers commercial, wealth management and insurance services across Vancouver Island.



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